

HONOLULU STAR BULLETIN (HI)
6 March 1985

Rewald Gearing for Vital Battle

By Charles Memminger
Star-Bulletin Writer

Ronald Rewald's attorneys lost a few minor court battles Thursday but are gearing up for what will be their most important pretrial court fight.

That fight will take place March 15, when a federal judge will rule on Rewald's motions to dismiss his 100-count indictment, disqualify Assistant U.S. Attorney John Peyton and release some 1,700 pieces of CIA-related information.

U.S. Magistrate Bert Tokairin refused federal Public Defender Michael Levine's request to have the government disclose how many grand jurors took part in returning the August indictment. Levine said he wanted to ensure that there was a legal quorum.

He later said he had no reason to believe there had not been a quorum.

Tokairin refused to force the government to disclose the grand jury information. He did, however, tell the government to disclose what it told the grand jury the laws were relating to the charges against Rewald.

Tokairin also refused to order government attorneys to turn over the names and addresses of the hundreds of witnesses expected to be called in the trial.

LEVINE AND his deputy, Brian Tamanaha, now will prepare for the March 15 hearing, the last major hearing before trial. U.S. Judge Harold Fong will set a date for trial after that hearing, Levine said.

Fong also will decide whether Rewald will be able to use the CIA as a defense against his fraud charges.

Rewald contends that the CIA ordered him to establish Bishop, Baldwin, Rewald, Dillingham &

Wong and direct CIA activities in the company.

Levine wants Peyton removed from the case because Peyton used to be a CIA attorney. He fears that Peyton has an interest in covering up the extent of the CIA's relations with Rewald.

The government has denied any significant CIA ties. In fact, CIA Director William Casey and former CIA head Stansfield Turner have filed secret affidavits denying that CIA bureau

chief Eugene Welch had authority to order Rewald to conduct illegal activities. The affidavits were referred to in court documents filed by the defense team.

One of Rewald's defenses to charges that he defrauded investors of millions of dollars is that the CIA promised to reimburse him for CIA-related activities. Levine says in court documents that if that is true, then Rewald did not intend "to cause investors economic loss."